

## Message Text

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ACTION NEA-10

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INFO AMEMBASSY DAMASCUS

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UNCLAS CAIRO 9003

E.O. 11652: N/A

TAGS: OVIP (SECRETARY BUTZ)

SUBJECT: TRANSCRIPT OF MATBOULI-BUTZ OPENING STATEMENTS AT SIGNING OF  
PL-480 AMENDMENT.

FOLLOWING IS TRANSCRIPT OF OPENING STATEMENTS BY MINISTER OF FOREIGN  
TRADE MATBOULI AND SECRETARY OF AGRICULTURE BUTZ AT SIGNING OF  
AMENDMENT TO PL-480 AGREEMENT ON NOVEMBER 10, 1974: QUOTE

MATBOULI: YOUR EXCELLENCY, I AM REALLY VERY  
GLAD TO SIGN WITH YOUR EXCELLENCY THIS AGREEMENT. IT HAPPENED BEFORE  
THAT I DID SIGN TWO AGREEMENTS WITH HIS EXCELLENCY THE AMBASSADOR  
OF THE UNITED STATES, AND I DID EXPRESS MY FEELINGS AT THE TIME,  
ON BEHALF OF MYSELF AND ON THE PART OF THE EGYPTIAN PEOPLE.  
ALL TOGETHER, WE THANK YOU VERY MUCH AND WE  
LOOK FORWARD TO MORE AGREEMENTS AND TO MORE HELP. THIS IS REALLY  
THE FEELING OF ALL EGYPTIANS, I DO THANK YOU VERY MUCH.

BUTZ: THANK YOU VERY MUCH. YOUR EXCELLENCY MR. MINISTER,  
MR. AMBASSADOR, GENTLEMEN: IT'S A REAL PERSONAL PLEASURE FOR  
ME REPRESENTING THE UNITED STATES HERE TO SIGN AN AMENDMENT  
TO OUR PL 480 AGREEMENT WHICH MEANS A TOTAL OF 300,000 TONS OF  
WHEAT THAT HAVE NOW BEEN COMMITTED IN WHAT WE CALL  
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FISCAL YEAR 1975. THAT'S THE YEAR ENDING JUNE 30, 1975. THIS

AGREEMENT TODAY PROVIDES FOR AN ADDITIONAL 200,000 TONS OF WHEAT ON TOP OF THE 100,000 TONS OF WHEAT IN THE FIRST AGREEMENT, MAKING IT A TOTAL TO 300,000 TONS OF WHEAT PLUS THE TOBACCO THAT WAS IN THE FIRST AGREEMENT. THE TOBACCO WAS WORTH \$10 MILLION DOLLAR. THE AGREEMENT WE SIGNED TODAY INVOLVEDS APPROXIMATELY 40.3 MILLION DOLLARS, WHICH INCLUDES 1.6 MILLION DOLLARS FOR OCEAN TRANSPORTATION, AND PROVIDES FOR 38.7 MILLION DOLLARS WORTH OF WHEAT UNDER PL 480. THIS BRINGS TO A TOTAL, ON TOP OF THE FIRST AGREEMENT SIGNED, A COMMITMENT OF 68.5 MILLION DOLLARS UNDER THIS AGREEMENT. AS THE MINISTER SAID, WE CONTINUE TO EXAMINE YOUR NEEDS AND CONTINUE TO EXAMINE OUR CAPABILITIES TO MEET THESE NEEDS. WE ARE, OF COURSE, DELIGHTED WITH THE GROWING WARM RELATIONSHIP BETWEEN EGYPT AND THE UNITED STATES. ALL OF OUR PEOPLE IN THE UNITED STATES APPRECIATE THIS AND I HAVE TOLD YOUR MINISTER AND TOLD YOUR PRIME MINISTER EARLIER THIS MORNING THAT THE DEPT OF AGRICULTURE, WHICH I REPRESENT, WILL DO ITS VERY BEST TO HELP FULFILL THESE COMMITMENTS AND EXTEND THIS RELATIONSHIP. I HAVE TOLD SECRETARY KISSINGER THAT OUR DEPT OF AGRICULTURE AND OUR FARMERS WILL DO THEIR VERY BEST TO HELP IMPLEMENT THE GROWING WARM RELATIONSHIP BETWEEN OUR TWO COUNTRIES. UNFORTUNATELY, WE DID HAVE A SHORT CORN PRODUCTION YEAR IN THE US IN 1974. WE HAD THE DRIEST SUMMER IN MID-AMERICA THAT WE HAVE HAD SINCE 1936. WHEN I SAY DRY SUMMER, YOU PEOPLE IN EGYPT UNDERSTAND WHAT HAPPENS WHEN YOU DON'T HAVE WATER, AND OUR WATER SUPPLY IN OUR CORNBELT WAS SHORT. FORUNATELY, WE DID HAVE A RECORD PRODUCTION OF WHEAT IN 1974. OUR WHEAT CROP WAS APPROXIMATELY 70 MILLION BUSHEL'S BIGGER THAN LAST YEAR'S WHEAT CROP. WE'LL HAVE A RECORD CROP OF RICE 1974, AND WHEAT AND RICE ARE THE FOOD GRAINS THAT THE WORLD USES. HOWEVER, OUR SHORT CORN CROPS PUTS PRESSURE ON OUR WHEAT SUPPLIES. PRESIDENT FORD HAS ALREADY ANNOUNCED THAT WE WILL PUSH FOR AN ALL-OUT PRODUCTION BY OUR FARMERS IN 1975. HE HAS ASSURED OUR FARMERS THAT WE WILL DO OUR BEST TO GET FUEL AND FERTILIZER FOR THEIR PRODUCTION. OUR WHEAT HARVEST IN 1975 SHOULD BE A RECORD WHEAT HARVEST. WE'LL HAVE MORE ACRES PLANTED TO WHEAT IN 1975 THAN IN 1974, AND OUR WHEAT HARVEST BEGINS IN TEXAS AND SOUTHWESTERN UNITED STATES IN JUNE. SO OUR REAL PROBLEM IS TO EXTEND SHORT SUPPLIES OF WHEAT IN THE CRITICAL WORLD NEEDS BETWEEN NOW AND NEXT JUNE AND JULY WHEN AMPLE SUPPLIES AGAIN WILL BECOME AVAILABLE. I TOLD YOUR PRIME MINISTER AND YOUR MINISTER THAT CERTAIN PARTS OF THE WORLD FACE

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STARVATION UNLESS WHEAT AND RICE CAN BE MOVED TO THEM. I'M THINKING OF BANGLADESH THAT SUFFERED THE SERIOUS FLOODS AND DESTROYED MUCH OF THE RICE CROP. I'M THINKING OF INDIA WHERE THEY NEED, SOMEHOW, AN ADDITIONAL TWO MILLION TONS OF WHEAT, THAT MUST BE FOUND SOMEPLACE, TO PREVENT START STARVATION. I'M THINKING OF THE SAHEL DISTRICT OF NORTHERN AFRICA, FOR EXAMPLE. SO OUR REAL PROBLEM IN THE EIGHT MONTHS AHEAD IS TO DISTRIBUTE RELATIVELY SHORT SUPPLIES TO MEET THESE

CRITICAL NEEDS. HOPEFULLY, AFTER EIGHT MONTHS THE SUPPLY SITUATION WILL EASE. I WANT TO ASSURE YOU, MR. MINISTER, THAT THERE IS A GENUINE COMMITMENT IN THE UNITED STATES AND A GENUINE COMMITMENT IN MY OWN DEPT OF AGRICULTURE AND BY OUR FARMERS TO DO THE VERY BEST WE CAN IN THE MONTHS AHEAD TO UNDERGIRD THE GROWING RELATIONSHIP BETWEEN YOUR COUNTRY AND OURS. AND I AM DELIGHTED THAT ALREADY WE ARE HAVING TEAMS OF TECHNICIANS ARRIVE IN EGYPT TO WORK WITH YOUR OWN TECHNICIANS TO SEE WAYS IN WHICH WE CAN IMPROVE AGRICULTURAL PRODUCTION AND IMPROVE THE EFFICIENCY OF WATER UTILIZATION IN YOUR IMPORTANT PRODUCING AREAS. IT'S A REAL PLEASURE FOR US TO BE WITH YOU HERE.

MATBOULI: I THINK, YOUR EXCELLENCY, EVERYTHING WAS CLEAR. MAY I THANK YOU AGAIN FOR YOUR CLEAR DECLARATION AND INTENTION TO HELP THOSE PEOPLE AND PREVENT STARVATION FROM THOSE COUNTRIES WHICH ARE LIABLE TO STARVE. AND AS YOU SAID, YOUR EXCELLENCY, WE ARE ALWAYS LOOKING FORWARD TO STRENGTHEN THE RELATIONSHIP BETWEEN EGYPT AND THE UNITED STATES. AND WE THANK GOD THAT RELATIONSHIP NOW IS GOING IN ITS NORMAL WAY AS THE TRADITIONAL RELATIONSHIP. I THANK YOU VERY MUCH, MYSELF AND ON BEHALF OF THE EGYPTIAN PEOPLE. ALL TOGETHER, WE THANK YOU. I AM LOOKING FORWARD TO THE STATUS THAT YOU, YOUR EXCELLENCY, MENTIONED, THAT IN THE FUTURE WE LOOK FORWARD TO MORE AID, MORE HELP AND TO MORE COMMODITIES THROUGH PL 480. I THANK YOU VERY MUCH. UNQUOTE  
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